

FILED 08/02/2011  
James J. Waldron, Clerk  
U.S. Bankruptcy Court, Newark NJ  
BY: Deputy

UNITED STATES BANKRUPTCY COURT  
District of New Jersey

In re Jennifer M. Esposito & Michael W.  
Esposito

Debtor

Case No. 11-20045  
Chapter 7

REAFFIRMATION AGREEMENT COVER SHEET

This form must be completed in its entirety and filed, with the reaffirmation agreement attached, within the time set under Rule 4008. It may be filed by any party to the reaffirmation agreement:

1. Creditor's Name: Ally Financial (f/k/a GMAC)
2. Amount of the debt subject to this reaffirmation agreement:  
\$25,210.49 on the date of bankruptcy    \$24,289.42 to be paid under reaffirmation agreement
3. Annual percentage rate of interest: 7.69% prior to bankruptcy  
7.69% under reaffirmation agreement (  Fixed Rate     Adjustable Rate)
4. Repayment Terms (if fixed rate): \$422.21 per month for 72 months.
5. Collateral, if any, securing the debt: Current market value: \$25,555.00  
Description: N11 CHEVEQUINOX VIN/HIN: 2CNFLCEC9B6328836
6. Does the creditor assert that the debt is nondischargeable?  Yes  No  
(If yes, attach a declaration setting forth the nature of the debt and basis for the contention that the debt is nondischargeable.)

Debtor's Schedule I and J Entries

Debtor's Income and Expenses  
as Stated on Reaffirmation Agreement

- |   |                  |   |   |
|---|------------------|---|---|
| 7A. Total monthly income from Schedule I, line 16                       | <u>\$6381.70</u> | 7B. Monthly income from all sources after payroll deductions                    | <u>\$6381.70</u>  |
| 8A. Total monthly expenses from Schedule J, line 18                     | <u>\$6256.72</u> | 8B. Monthly expenses  | <u>\$6,256.72</u>   |
| 9A. Total monthly payments on reaffirmed debts not listed on Schedule J | <u>\$ 0</u>      | 9B. Total monthly payments on reaffirmed debts not included in monthly expenses | <u>\$ 0</u>   |
|   |                  | 10B. Net monthly income   | <u>\$ 124.98</u><br>(Subtract sum of lines 8B and 9B from line 7B. If total is less than zero, put the number in brackets.) |

11. Explain with specificity any difference between the income amounts (7A and 7B):  
\_\_\_\_\_  
\_\_\_\_\_

12. Explain with specificity any difference between the expense amounts (8A and 8B):  
\_\_\_\_\_  
\_\_\_\_\_

If line 11 or 12 is completed, the undersigned debtor, and joint debtor if applicable, certifies that any explanation contained on those lines is true correct.

Signature of Debtor (only required if line 11 or 12 is completed)

Signature of Joint Debtor (if applicable, and only required if line 11 or 12 is completed)

Other Information

Check this box if the total on line 10B is less than zero. If that number is less than zero, a presumption of undue hardship arises (unless the creditor is a credit union) and you must explain with specificity the sources of funds available to the Debtor to make the monthly payments on the reaffirmed debt:  
\_\_\_\_\_

Was debtor represented by counsel during the course of negotiating this reaffirmation agreement?

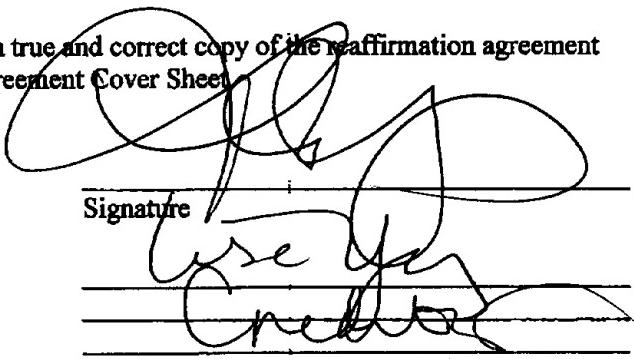
Yes \_\_\_\_\_ No \_\_\_\_\_

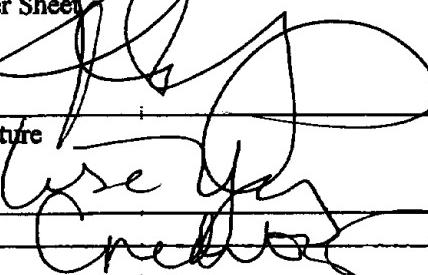
If the debtor was represented by counsel during the course of negotiating this reaffirmation agreement, has counsel executed a certification (affidavit or declaration) in support of the reaffirmation agreement?

Yes \_\_\_\_\_ No \_\_\_\_\_

**FILER'S CERTIFICATION**

I hereby certify that the attached agreement is a true and correct copy of the reaffirmation agreement between the parties identified on the Reaffirmation Agreement Cover Sheet

Signature  


Print/Type Name & Signer's Relation to Case  


B240A (Form B240A) (4/10)

Check one.

- Presumption of Undue Hardship  
 No Presumption of Undue Hardship  
See Debtor's Statement in Support of Reaffirmation, Part II Below, to determine which box to check.

UNITED STATES BANKRUPTCY COURT  
District of New Jersey

In re Jennifer M. Esposito & Michael W. Esposito, Case No. 11-20045  
Debtor Chapter 7

**REAFFIRMATION DOCUMENTS**

Name of Creditor: Ally Financial (f/k/a GMAC)

Check this box if Creditor is a Credit Union

**PART I. REAFFIRMATION AGREEMENT**

Reaffirming a debt is a serious financial decision. Before entering into this Reaffirmation Agreement, you must review the important disclosures, instructions, and definitions found in Part V of this form.

A. Brief description of the original agreement being reaffirmed: Auto – Contract  
*For example, auto loan*

B. **AMOUNT REAFFIRMED:** \$24,289.42

The Amount Reaffirmed is the entire amount that you are agreeing to pay. This may include unpaid principal, interest, and fees and costs (if any) arising on or before June 7, 2011, which is the date of the Disclosure Statement portion of this form (Part V).

*See the definition of "Amount Reaffirmed" in Part V, Section C below.*

C. The **ANNUAL PERCENTAGE RATE** applicable to the Amount Reaffirmed is 7.69%

*See definition of "Annual Percentage Rate" in Part V, Section C below.*

This is a (check one)  Fixed rate  Variable rate

If the loan has a variable rate, the future interest rate may increase or decrease from the Annual Percentage Rate disclosed here.

D. Reaffirmation Agreement Repayment Terms (*check and complete one*):

- \$422.21 per month for 72 months starting on 7/6/2011.
- Describe repayment terms, including whether future payment amount(s) may be different from the initial payment amount.

E. Describe the collateral, if any, securing the debt:

Description: N11 CHEVEQUINOX VIN/HIN:  
2CNFLCEC9B6328836

Current Market Value: \$25,555.00

F. Did the debt that is being reaffirmed arise from the purchase of the collateral described above?

- Yes. What was the purchase price for the collateral? \$25,000.00
- No. What was the amount of the original loan?

G. Specify the changes made by this Reaffirmation Agreement to the most recent credit terms on the reaffirmed debt and any related agreement: No changes made.

	Terms as of the Date of Bankruptcy	Term After Reaffirmation
Balance due ( <i>including fees and costs</i> ):		
Annual Percentage Rate:		
Monthly Payment:		

H.  Check this box if the creditor is agreeing to provide you with additional future credit in connection with this Reaffirmation Agreement. Describe the credit limit, the Annual Percentage Rate that applies to future credit and any other terms on future purchases and advances using such credit: \_\_\_\_\_

**PART II. DEBTOR'S STATEMENT IN SUPPORT OF REAFFIRMATION AGREEMENT**

A. Were you represented by an attorney during the course of negotiating this agreement?

Check one.  Yes  No

B. Is the creditor a credit union?

Check one.  Yes  No

Form B240A, Reaffirmation Documents

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C. If your answer to EITHER question A. or B. above is "No," complete 1. and 2. below.

1. Your present monthly income and expenses are:

- |  |                    |
|--|--------------------|
| a. Monthly income from all sources after payroll deductions<br>(take-home pay plus any other income) | \$ <u>6,381.70</u> |
| b. Monthly expenses (including all reaffirmed debts except<br>this one)                              | \$ <u>5,834.51</u> |
| c. Amount available to pay this reaffirmed debt (subtract b. from a.)                                | \$ <u>547.19</u>   |
| d. Amount of monthly payment required for this reaffirmed debt                                       | \$ <u>422.21</u>   |

*If the monthly payment on this reaffirmed debt (line d.) is greater than the amount you have available to pay this reaffirmed debt (line c.), you must check the box at the top of page one that says "Presumption of Undue Hardship." Otherwise, you must check the box at the top of page one that says "No Presumption of Undue Hardship."*

2. You believe that this reaffirmation agreement will not impose an undue hardship on you or your dependents because:

Check one of the two statements below, if applicable:

- You can afford to make the payments on the reaffirmed debt because your monthly income is greater than your monthly expenses even after you include in your expenses the monthly payments on all debts you are reaffirming, including this one.
- You can afford to make the payments on the reaffirmed debt even though your monthly income is less than your monthly expenses after you include in your expenses the monthly payments on all debts you are reaffirming, including this one, because:
- 
- 
- 

Use an additional page if needed for a full explanation.

D. If your answers to BOTH questions A. and B. above were "Yes," check the following statement, if applicable:

- You believe this reaffirmation agreement is in your financial interest and you can afford to make the payments on the reaffirmed debt.

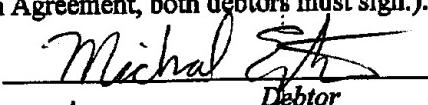
*Also, check the box at the top of page one that says "No Presumption of Undue Hardship."*

**PART III. CERTIFICATION BY DEBTOR(S) AND SIGNATURES OF PARTIES**

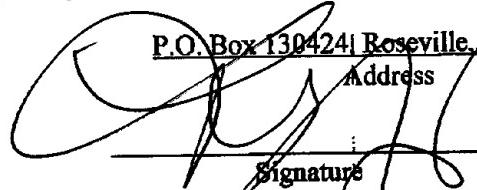
I hereby certify that:

- (1) I agree to reaffirm the debt described above;
- (2) Before signing this reaffirmation agreement, I read the terms disclosed in this Reaffirmation Agreement (Part I) and the Disclosure Statement, Instructions and Definitions included in Part V below;
- (3) The Debtor's Statement in Support of Reaffirmation Agreement (Part II above) is true and complete;
- (4) I am entering into this agreement voluntarily and am fully informed of my rights and responsibilities; and
- (5) I have received a copy of this completed and signed Reaffirmation Documents form.

**SIGNATURE(S) (If this is a joint Reaffirmation Agreement, both debtors must sign.):**

Date	<u>6/7/11</u>	Signature	
Date	<u>6/7/11</u>	Signature	 <small>Joint Debtor, if any</small>

**Reaffirmation Agreement Terms Accepted by Creditor:**

Creditor	<u>Ally Financial</u> Print Name	<u>P.O. Box 1304241 Roseville, MN 55113-0004</u> Address
	<u>L. Yang</u> Print Name of Representative	 Signature
		<u>6/7/11</u> Date

**PART IV. CERTIFICATION BY DEBTOR'S ATTORNEY (IF ANY)**

*To be filed only if the attorney represented the debtor during the course of negotiating this agreement.*

I hereby certify that: (1) this agreement represents a fully informed and voluntary agreement by the debtor; (2) this agreement does not impose an undue hardship on the debtor or any dependent of the debtor; and (3) I have fully advised the debtor of the legal effect and consequences of this agreement and any default under this agreement.

- A presumption of undue hardship has been established with respect to this agreement. In my opinion, however, the debtor is able to make the required payment.

*Check box, if the presumption of undue hardship box is checked on page 1 and the creditor is not a Credit Union.*

Date	<u>6-7-2011</u>	Signature of Debtor's Attorney
Print Name of Debtor's Attorney	<u>James C. Zimmermann, Esq.</u>	

Form B240A, Reaffirmation Documents

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**PART V. DISCLOSURE STATEMENT AND INSTRUCTIONS TO DEBTOR(S)**

**Before agreeing to reaffirm a debt, review the terms disclosed in the Reaffirmation Agreement (Part I above) and these additional important disclosures and instructions.**

**Reaffirming a debt is a serious financial decision.** The law requires you to take certain steps to make sure the decision is in your best interest. If these steps, which are detailed in the Instructions provided in Part V, Section B below, are not completed, the Reaffirmation Agreement is not effective, even though you have signed it.

**A. DISCLOSURE STATEMENT**

1. **What are your obligations if you reaffirm a debt?** A reaffirmed debt remains your personal legal obligation to pay. Your reaffirmed debt is not discharged in your bankruptcy case. That means that if you default on your reaffirmed debt after your bankruptcy case is over, your creditor may be able to take your property or your wages. Your obligations will be determined by the Reaffirmation Agreement, which may have changed the terms of the original agreement. If you are reaffirming an open end credit agreement, that agreement or applicable law may permit the creditor to change the terms of that agreement in the future under certain conditions.
2. **Are you required to enter into a reaffirmation agreement by any law?** No, you are not required to reaffirm a debt by any law. Only agree to reaffirm a debt if it is in your best interest. Be sure you can afford the payments that you agree to make.
3. **What if your creditor has a security interest or lien?** Your bankruptcy discharge does not eliminate any lien on your property. A "lien" is often referred to as a security interest, deed of trust, mortgage, or security deed. The property subject to a lien is often referred to as collateral. Even if you do not reaffirm and your personal liability on the debt is discharged, your creditor may still have a right under the lien to take the collateral if you do not pay or default on the debt. If the collateral is personal property that is exempt or that the trustee has abandoned, you may be able to redeem the item rather than reaffirm the debt. To redeem, you make a single payment to the creditor equal to the current value of the collateral, as the parties agree or the court determines.
4. **How soon do you need to enter into and file a reaffirmation agreement?** If you decide to enter into a reaffirmation agreement, you must do so before you receive your discharge. After you have entered into a reaffirmation agreement and all parts of this form that require a signature have been signed, either you or the creditor should file it as soon as possible. The signed agreement must be filed with the court no later than 60 days after the first date set for the meeting of creditors, so that the court will have time to schedule a hearing to approve the agreement if approval is required. However, the court may extend the time for filing, even after the 60-day period has ended.
5. **Can you cancel the agreement?** You may rescind (cancel) your Reaffirmation Agreement at any time before the bankruptcy court enters your discharge, or during the 60-day period that begins on the date your Reaffirmation Agreement is filed with the court, whichever occurs later. To rescind (cancel) your Reaffirmation Agreement, you must notify the creditor that your Reaffirmation Agreement is rescinded (or canceled). Remember that you can rescind the agreement, even if the court approves it, as long as you rescind within the time allowed.

**6. When will this reaffirmation agreement be effective?**

**a. If you *were* represented by an attorney during the negotiation of your Reaffirmation Agreement and**

i. if the creditor is not a Credit Union, your Reaffirmation Agreement becomes effective when it is filed with the court unless the reaffirmation is presumed to be an undue hardship. If the Reaffirmation Agreement is presumed to be an undue hardship, the court must review it and may set a hearing to determine whether you have rebutted the presumption of undue hardship.

ii. if the creditor is a Credit Union, your Reaffirmation Agreement becomes effective when it is filed with the court.

b. If you *were not* represented by an attorney during the negotiation of your Reaffirmation Agreement, the Reaffirmation Agreement will not be effective unless the court approves it. To have the court approve your agreement, you must file a motion. See Instruction 5, below. The court will notify you and the creditor of the hearing on your Reaffirmation Agreement. You must attend this hearing, at which time the judge will review your Reaffirmation Agreement. If the judge decides that the Reaffirmation Agreement is in your best interest, the agreement will be approved and will become effective. However, if your Reaffirmation Agreement is for a consumer debt secured by a mortgage, deed of trust, security deed, or other lien on your real property, like your home, you do not need to file a motion or get court approval of your Reaffirmation Agreement.

**7. What if you have questions about what a creditor can do?** If you have questions about reaffirming a debt or what the law requires, consult with the attorney who helped you negotiate this agreement. If you do not have an attorney helping you, you may ask the judge to explain the effect of this agreement to you at the hearing to approve the Reaffirmation Agreement. When this disclosure refers to what a creditor "may" do, it is not giving any creditor permission to do anything. The word "may" is used to tell you what might occur if the law permits the creditor to take the action.

**B. INSTRUCTIONS**

1. Review these Disclosures and carefully consider your decision to reaffirm. If you want to reaffirm, review and complete the information contained in the Reaffirmation Agreement (Part I above). If your case is a joint case, both spouses must sign the agreement if both are reaffirming the debt.
2. Complete the Debtor's Statement in Support of Reaffirmation Agreement (Part II above). Be sure that you can afford to make the payments that you are agreeing to make and that you have received a copy of the Disclosure Statement and a completed and signed Reaffirmation Agreement.

3. If you were represented by an attorney during the negotiation of your Reaffirmation Agreement, your attorney must sign and date the Certification By Debtor's Attorney (Part IV above).
4. You or your creditor must file with the court the original of this Reaffirmation Documents packet and a completed Reaffirmation Agreement Cover Sheet (Official Bankruptcy Form 27).
5. *If you are not represented by an attorney, you must also complete and file with the court a separate document entitled "Motion for Court Approval of Reaffirmation Agreement unless your Reaffirmation Agreement is for a consumer debt secured by a lien on your real property, such as your home. You can use Form B240B to do this.*

#### C. DEFINITIONS

1. "**Amount Reaffirmed**" means the total amount of debt that you are agreeing to pay (reaffirm) by entering into this agreement. The total amount of debt includes any unpaid fees and costs that you are agreeing to pay that arose on or before the date of disclosure, which is the date specified in the Reaffirmation Agreement (Part I, Section B above). Your credit agreement may obligate you to pay additional amounts that arise after the date of disclosure. You should consult your credit agreement to determine whether you are obligated to pay additional amounts that may arise after the date of this disclosure.
2. "**Annual Percentage Rate**" means the interest rate on a loan expressed under the rules required by federal law. The annual percentage rate (as opposed to the "stated interest rate") tells you the full cost of your credit including many of the creditor's fees and charges. You will find the annual percentage rate for your original agreement on the disclosure statement that was given to you when the loan papers were signed or on the monthly statements sent to you for an open end credit account such as a credit card.
3. "**Credit Union**" means a financial institution as defined in 12 U.S.C. § 461(b)(1)(A)(iv). It is owned and controlled by and provides financial services to its members and typically uses words like "Credit Union" or initials like "C.U." or "F.C.U." in its name.

B240B (Form B240B) (12/09)

UNITED STATES BANKRUPTCY COURT  
District Of New Jersey

In re Jennifer M. Esposito & Michael W. Esposito, Case No. 11-20045

Debtor

Chapter

7

**MOTION FOR APPROVAL OF REAFFIRMATION AGREEMENT**

I (we), the debtor(s), affirm the following to be true and correct:

I am not represented by an attorney in connection with this reaffirmation agreement.

I believe this reaffirmation agreement is in my best interest based on the income and expenses I have disclosed in my Statement in Support of Reaffirmation Agreement, and because (provide any additional relevant reasons the court should consider):

Therefore, I ask the court for an order approving this reaffirmation agreement under the following provisions (check all applicable boxes):

- 11 U.S.C. § 524(c)(6) (debtor is not represented by an attorney during the course of the negotiation of the reaffirmation agreement)
- 11 U.S.C. § 524(m) (presumption of undue hardship has arisen because monthly expenses exceed monthly income, as explained in Part III of Form B240A, Reaffirmation Documents)

Signed: Michael W. Esposito  
(Debtor)

Jennifer M. Esposito  
(Joint Debtor, if any)

Date: 6/7/11

B240C (Form B240C) (12/09)

**UNITED STATES BANKRUPTCY COURT  
District of New Jersey**

In re Jennifer M. Esposito & Michael W. Esposito, Case No. 11-20045

**Debtor** **Chapter**

7

## **ORDER ON REAFFIRMATION AGREEMENT**

The debtor(s) Jennifer M. Esposito & Michael W. Esposito has (have) filed a motion for approval of the reaffirmation agreement dated \_\_\_\_\_ made between the debtor(s) and creditor Ally Financial. The court held the hearing required by 11 U.S.C. § 524(d) on notice to the debtor(s) and the creditor on \_\_\_\_\_ (date).

**COURT ORDER:**

- The court grants the debtor's motion under 11 U.S.C. § 524(c)(6)(A) and approves the reaffirmation agreement described above as not imposing an undue hardship on the debtor(s) or a dependent of the debtor(s) and as being in the best interest of the debtor(s).
  - The court grants the debtor's motion under 11 U.S.C. § 524(k)(8) and approves the reaffirmation agreement described above.
  - The court does not disapprove the reaffirmation agreement under 11 U.S.C. § 524(m).
  - The court disapproves the reaffirmation agreement under 11 U.S.C. § 524(m).
  - The court does not approve the reaffirmation agreement.

BY THE COURT

Date: \_\_\_\_\_

**United States Bankruptcy Judge**

**CERTIFICATE OF TITLE**

FROM: 2CNPFL00C9B 63288-36  
TO: 2CNPFL00C9B 63288-36  
TYPE OF TITLE: STANDARD  
DUPLICATE NO: 85.00  
ISSUE DATE: 02-25-2011  
OWNER(S): MICHAEL W ESPOSITO  
627 PITT STREET  
SO PLAINFIELD NJ 07080 2743

JENNIFER M ESPOSITO  
SIGNATURE

SUPER. YEAR: 2011  
MANUFACTURE: COLORADO  
DUPLICATE NO: 8  
VHICLE DATE: 02-25-2011  
VHICLE REPLACEMENT:  
DEALER ID: 35400N  
MILEAGE: 2  
STATUS: 9 A  
FUEL: 8-GASOLINE  
PROD: T-TAN  
LICENCE LAW: AUTOM. LICENSE  
HARD THE ACTUAL DAMAGE  
WHILEAGE EXCEEDS THE  
NEWMAN CAL. LIMITS  
NUMBER OF OWNERS: 2  
NUMBER OF LENDERS: 1

I, CHEF ADMINISTRATOR OF THE MOTOR VEHICLE COMMISSION OF THE STATE OF NEW JERSEY, DO HEREBY CERTIFY THAT EVIDENCE OF PURCHASE OF OWNERSHIP, IN COMPLIANCE WITH THE LAWS  
OF THE STATE OF NEW JERSEY, OF THE DESCRIBED ARTICLE, HAS BEEN RECORDED AND FILED WITH ME, AND DO HEREBY ISSUE THIS CERTIFICATE OF OWNERSHIP SUBJECT TO SECURITY  
AGREEMENT OR LIEN, IF ANY AS STATED.

CONTROL NUMBER: AG675333

**State of New Jersey**  
MOTOR VEHICLE COMMISSION

DATE HELD FOR: \_\_\_\_\_  
SIGNATURE: \_\_\_\_\_  
SERIAL NO.: \_\_\_\_\_  
TITLE: \_\_\_\_\_  
LIEN RELEASED BY: \_\_\_\_\_  
SIGNATURE: \_\_\_\_\_  
DATE: 02-25-2011  
# 03634 74602 10300  
ALLY FINANCIAL INC  
PO BOX 8140  
COCKEYSVILLE MD 21030  
ISMS-1 (R99)

RV201105600000656

KEEP IN SAFE PLACE

ALTERATION OR ERASURE VOIDS THIS TITLE

**VOID IF ALTERED**

HOLD TO LIGHT TO VIEW NEW JERSEY WATERMARK

HOLD TO LIGHT TO VIEW NEW JERSEY WATERMARK

- 1. FINANCE CHARGE AND PAYMENTS**
- a. How we will figure Finance Charge. We will figure the Finance Charge on a daily basis at the Annual Percentage Rate on the unpaid part of the Amount Financed.
  - b. How we will apply payments. We may apply each payment to the earned and unpaid part of the Finance Charge, to the unpaid part of the Amount Financed and to other amounts you owe under this contract in any order we choose.
  - c. How late payments or early payments change what you must pay. We based the Finance Charge, Total of Payments, and Total Sale Price shown on the front, on the assumption that you will make every payment on the day it is due. Your Finance Charge, Total of Payments, and Total Sale Price will be more if you pay late and less if you pay early. Charges may take the form of a larger or smaller than payment or, at our option, more or fewer payments of the same amount as your scheduled payment with a smaller final payment. We will send you a notice telling you about these changes before the final scheduled payment is due.
  - d. You may prepay. You may prepay all or part of the unpaid part of the Amount Financed at any time without penalty. If you do so, you must pay the earned and unpaid part of the Finance Charge and all other amounts due up to the date of your payment.
- 2. YOUR OTHER PROMISES TO US**
- a. If the vehicle is damaged, destroyed, or missing. You agree to pay us all you owe under this contract even if the vehicle is damaged, destroyed, or missing. Taking the vehicle. You agree not to remove the vehicle from the U.S. or Canada, or to sell, rent, lease, or transfer any interest in the vehicle or this contract without our written permission. You agree not to expose the vehicle to misuse, seizure, confiscation, or involuntary forfeiture. If we pay any repair bills, storage bills, losses, fines, or charges on the vehicle, you agree to repay the amount when we ask for it.
  - b. Security Interest. You give us a security interest in:
    - The vehicle and all parts or goods put on it;
    - All money or goods received (proceeds) for the vehicle;
    - All insurance, maintenance, service, or other contracts we finance for you; and
    - All proceeds from insurance, maintenance, service, or other contracts we finance for you. This includes refunds of premiums or charges from the contracts.
 This secure payment of all you owe on this contract. It also secures your other agreements in this contract. You will make sure the title shows our security interest (lien) in the vehicle.
  - c. Insurance you must have on the vehicle. You agree to have physical damage insurance covering loss or damage to the vehicle for the term of this contract. The insurance must cover our interest in the vehicle. If you do not have this insurance, we may, if we choose, buy physical damage insurance. If we decide to buy physical damage insurance, we may either buy insurance that covers your interest and our interest in the vehicle, or buy insurance that covers only our interest to the extent permitted by applicable law. If we buy other type of insurance, we will tell you which type and the charge you must pay. The charge will be the premium of the insurance and a finance charge equal to the Annual Percentage Rate shown on the front of this contract or, at our option, the highest rate the law permits.
 If the vehicle is lost or damaged, you agree that we may use any insurance settlement to reduce what you owe or repair the vehicle.
  - d. What happens to returned insurance, maintenance, service, or other contract charges. If we get a refund on insurance, maintenance, service, or other contract charges, you agree that we may subtract the refund from what you owe.
- 3. IF YOU PAY LATE OR BREAK YOUR OTHER PROMISES**
- a. You may owe late charges. You will pay a late charge on each late payment as shown on the front. Acceptance of a late payment or late charge does not excuse your late payment or mean that you may keep making late payments.

- If you pay late, we may do any of the following described below.
- b. You may have to pay all you owe at once. If you break your promises (default), we may demand that you pay all you owe on this contract at once. Default means:
    - You do not pay any payment on time;
    - You give false, incomplete, or misleading information on a credit application;
    - You start a proceeding in bankruptcy or one is started against you or your property; or
    - You break any agreements in this contract.
 The amount you will owe will be the unpaid part of the Amount Financed plus the earned and unpaid part of the Finance Charge, any late charges, and any amounts due because you defaulted.
  - c. You may have to pay collection costs. If we hire an attorney who is not our salaried employee to collect what you owe, you will pay the attorney's reasonable fee and court costs the law permits. If the vehicle is primarily for personal, family, or household use and the claim price is \$10,000 or less, the maximum attorney's fee will pay will be \$100 plus 10% of the excess over \$200 of the amount due when we hire the attorney.
  - d. You may have to take the vehicle from you. If you default, we may take (repossess) the vehicle from you if we do so peacefully and the law allows it. If your vehicle has an electronic tracking device, you agree that we may use the device to find the vehicle. If we take the vehicle, any accessories, equipment, and replacement parts will stay with the vehicle. If any personal items are in the vehicle, we may store them for you at your expense. If you do not ask for these items back, we may dispose of them as the law allows.
  - e. How you can get the vehicle back if we take it. If we repossess the vehicle, you may pay us get it back (redeem). We will tell you how much to pay to redeem. Your right to redeem ends when we sell the vehicle.
  - f. We will sell the vehicle if you do not get it back. If you do not redeem, we will sell the vehicle. We will send you a written notice of sale before selling the vehicle.
 We will apply the money from the sale, less allowed expenses to the amount you owe. Allowed expenses are expenses we pay as a direct result of taking the vehicle, holding it, preparing it for sale, and selling it. Attorney fees and court costs the law permits are allowed expenses. If any money is left (surplus), we will pay it to you unless the law requires us to pay it to someone else. If money from the sale is not enough to pay the amount you owe, you must pay the rest to us. If you do not pay this amount when we sell, we may charge you interest at a rate not exceeding the highest lawful rate until you pay.
  - g. What we may do about optional insurance, maintenance, service, or other contracts. This contract may contain provisions for optional insurance, maintenance, service, or other contracts. If we demand that you pay all you owe at once or we repossess the vehicle, we may claim benefits under these contracts and cancel them to obtain refunds of unused charges to reduce what you owe. If the vehicle is a total loss because it is confiscated, damaged, or stolen, we may claim benefits under these contracts and cancel them to obtain refunds of unused charges to reduce what you owe.

- 4. WARRANTIES SELLER DISCLAIMS**
- a. Unless the Seller makes a written warranty, or writes into a service contract within 30 days from the date of this contract, the Seller makes no warranties, express or implied, on the vehicle, and there will be no implied warranties of merchantability or of fitness for a particular purpose.
  - b. This provision does not affect any warranties covering the vehicle that the vehicle manufacturer may provide.

- 5. Used Car Buyers Guide. The information you see on the window form for this vehicle is part of this contract. Information on the window form overrides any contrary provisions in the contract of sale.**
- Spanish Translation:** Una copia comprendida de vehículos usados. La información que se ve en el formulario de la ventanilla para este vehículo forma parte del presente contrato. La información del formulario de la ventanilla tiene efecto todo dispositivo en contrato confundido en el contrato de venta.

- 6. Servicing and Collection Contracts.**
- You agree that we may try to contact you in writing, by e-mail, or using preprogrammed voice messages, text messages, and automatic telephone dialing systems, as the law allows. You also agree that we may try to contact you in faxes and other ways at any address or telephone number you provide us, even if the telephone number is a cell phone number or the contact results in a charge to you.

- 7. Applicable Law.**
- Federal law and the law of the state of our address shown on the front of this contract apply to this contract.

**NOTICE: ANY HOLDER OF THIS CONSUMER CREDIT CONTRACT IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE DEBTOR COULD ASSERT AGAINST THE SELLER OF GOODS OR SERVICES OBTAINED PURSUANT HERETO OR WITH THE PROCEEDS HEREIN. RECOVERY HEREUNDER BY THE DEBTOR SHALL NOT EXCEED AMOUNTS PAID BY THE DEBTOR HEREBELOW.**

The preceding NOTICE applies only if the "personal, family or household" box in the "Primary Use for Which Purchased" section of this contract is checked. In all other cases, Buyer will not assert against any subsequent holder or assignee of this contract any claims or defenses the Buyer (debtor) may have against the Seller, or against the manufacturer of the vehicle or equipment obtained under this contract.

RETAIL TRAD-IN-LENDING CONTRACT  
SAMPLE FINANCE CHARGE  
Document: Page 14 of 14

Buyer Name and Address (including County and Zip Code) <b>MICHAEL R ESPORTO</b> 627 PITT STREET SOUTH PLAINFIELD NJ 07080	Co-Buyer Name and Address (including County and Zip Code) <b>JENNIFER R ESPORTO</b> 627 PITT STREET SOUTH PLAINFIELD NJ 07080	Credit-Seller Name and Address <b>GLOBAL MOTORS CORP</b> 627 PITT STREET SOUTH PLAINFIELD NJ 07080
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You, the Buyer (and Co-Buyer, if any), may buy the vehicle below for cash or on credit. By signing this contract, you agree to pay the Credit-Seller (Seller) "cash" or "not in on credit" under the agreements on the front and back of this contract. You agree to pay the Credit-Seller (Seller) the amount of the finance charge in U.S. funds according to the payment schedule below. We will charge your finance charge on a daily basis. The Truth-in-Lending Disclosures below are part of this contract.

New/Used/Vehicle	Year	Make and Model	Vehicle Identification Number	Primary Use for Which Purchased				
NEW	2011	CHEVROLET EQUINOX	2B1FLDEC3H4322676					<input type="checkbox"/> personal, family or household <input type="checkbox"/> business <input type="checkbox"/> agricultural
				<input type="checkbox"/> personal, family or household <input type="checkbox"/> business <input type="checkbox"/> agricultural				

FEDERAL TRUTH-IN-LENDING DISCLOSURES					
ANNUAL PERCENTAGE RATE	FINANCIAL CHARGE	AMOUNT FINANCED	Total of Payments	Total Sales Price	Total Finance Charge
The cost of your credit as a yearly rate. <b>7.69 %</b>	The amount you must pay to obtain credit. <b>\$ 1663.75</b>	The amount of money you will receive. <b>\$ 25000.00</b>	The total amount you will have paid after you have made all payments as scheduled. <b>\$ 31663.75</b>	The total sales price of your purchase on credit, including your down payment. <b>\$ 25000.00</b>	The total finance charge on credit. <b>\$ 663.75</b>

Number of Payments	Amount of Down Payment	When Payments Are Due
<b>75</b>	<b>\$ 422.41</b>	<b>Monthly beginning 04/08/2011</b>

Or As Follows:

Late Charge: If payment is received in full within **10** days after it is due, you will pay a late charge of **.5%** of the part of the payment that is late. If the vehicle is primarily for personal, family or household use and the cash price is **\$ 30,000**, no charge for such late payment will be \$ **.10**. Prepayment: If you pay off all your debt early, you will have to pay a penalty. Security Interest: You are giving a security interest in the vehicle being purchased. Additional Information: See the contract for more information including information about nonpayment, default, any required repayment in full before the scheduled date and security interest.

<b>DISCLOSURE OF ANNUAL FINANCING</b>	
1 Cash Price (including <b>\$ 193.10</b> sales tax)	<b>\$ 27000.10</b>
2 Net Disposition:	
Sales Tax ( <b>\$ 193.10</b> )	<b>N/R</b>
General Trade-In Allowance	<b>N/R</b>
Loan Pay Off/Balance Due	<b>N/R</b>
Inputs Not Traded	<b>N/R</b>
+ Cash	<b>\$ 25000.00</b>
+ Other	<b>N/R</b>
(or less if compromised to negotiate, enter "0" and see #4 below)	<b>\$ 25000.00</b>
3 Unpaid Balance of Cash Price (1 minus 2)	<b>\$ 25000.10</b>
4 Other Charges Including Advances Paid to Others on Your Behalf	<b>N/R</b>
Seller may keep post-charge amounts:	
A Credit or Delayed Credit Insurance Paid to Insurance Company or Company or Corporation.	<b>N/R</b>
B Direct Premiums Paid to Insurance Company or Corporation	<b>N/R</b>
C Office Fees Paid to Employment Agencies	<b>N/R</b>
D	<b>N/R</b>
E	<b>N/R</b>
F	<b>N/R</b>
G	<b>N/R</b>
H	<b>N/R</b>
I	<b>N/R</b>
J	<b>N/R</b>
K	<b>N/R</b>
L	<b>N/R</b>
M	<b>N/R</b>
N	<b>N/R</b>
O	<b>N/R</b>
P	<b>N/R</b>
Q	<b>N/R</b>
R	<b>N/R</b>
S	<b>N/R</b>
T	<b>N/R</b>
U	<b>N/R</b>
V	<b>N/R</b>
W	<b>N/R</b>
X	<b>N/R</b>
Y	<b>N/R</b>
Z	<b>N/R</b>
Total Other Charges and Amounts Paid to Others on Your Behalf	<b>\$ 27000.10</b>
4 Total Disposition: 2 + 3 - 4	<b>\$ 25000.00</b>

**OPTION:  You pay no finance charge if the Amount Financed, item 6, is paid in full on or before **10/08/11**. Year **2011**.**

**If this box is checked, the following late charge applies to vehicles purchased primarily for business or agricultural use: **N/R****  
If a payment is not received in full within **\_\_\_\_\_** days after it is due, you will pay a late charge of **%** or **%** of the part of the payment that is late, whichever is less.  
This box is not checked, the late charge in the "Pledged Trade-In-Lending Disclosure" will apply.

**OPTIONAL GAP CONTRACT: A gap contract (late cancellation coverage) is not required to obtain credit and will not be provided unless you sign below and agree to pay the extra charge. If you choose to pay a gap contract, the charge is shown in Item 10 of the Disclosure of Annual Financing. Your gap coverage will be detailed in the terms and conditions of purchase. It is a part of this contract.**

**Date \_\_\_\_\_ Name \_\_\_\_\_ S/N \_\_\_\_\_ Date of Gap Coverage \_\_\_\_\_**

**I and my co-signer(s) \_\_\_\_\_**

**Sign here \_\_\_\_\_**

**Buyer Signs: \_\_\_\_\_**

**Co-Buyer Signs: \_\_\_\_\_**

**Date 08/02/11 Co-Buyer Signs 08/02/11**

**Buyer Signs 08/02/11 Co-Buyer Signs 08/02/11**

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